

Suspends Funding for New Students

Program Purpose

The Health Professional Loan Repayment and Scholarship (HPLR/S) program provides recruitment and retention funding for critically needed health care professionals in the state's rural and underserved communities.

The shortage of primary health care providers in underserved communities jeopardizes patient care and poses a threat to public health and safety in those communities – especially to our low-income and uninsured residents.

This program provides incentives for health care professionals to provide health care in high need areas by repaying a portion of their educational debt or providing tuition assistance for students entering primary health career fields. In return, the health care professional provides two to three years of service in a designated Washington or federal health care shortage area.

Program Highlights

The **Loan Repayment** program:

- ♦ Has placed more than 450 primary care health care providers in 37 counties helping to maintain health care in many rural communities.
- ♦ Provides matching dollars for federal grants that have made awards possible to 100 additional health care providers in shortage areas.

The **Scholarship** program:

- ♦ Has awarded more than 338 students in health professional training programs. Approximately 95% of these recipients have completed their service requirement, are currently serving, or are still in school.

Effect of proposed cuts

Program is proposed to be reduced by \$7.6 M for the 2011-13 biennium.

The proposed cuts:

- Decrease access to health care in rural and urban low-income, underserved communities by approximately 210 health care providers and medical students in 2011-13.
- Significantly decreases state efforts to attract, recruit, and retain health care providers to practice medicine in high-need areas in Washington, further reducing the supply of healthcare providers in the state's shortage areas.
- Decrease the overall number of health providers in a community. In a community, one Rural Physician generates 23 jobs and \$1,533,000 total revenue to a community, (Gerard Doeksen, National Center for Rural Health Works).
- Affect scholarship recipients' ability to continue or complete their education, especially in light of substantial tuition increases.
- Eliminate funding for the community-based health care resource grant program, which provides medical provider recruitment /retention funds to health care facilities.
- Eliminate funding for the Project Hope high school internship program, which is designed to attract students to careers in the health care field.
- Provides federal grant matching funds (\$525,000) to award 36 health providers in rural and underserved communities.

Please note: This brief reflects the impacts associated with the Governor and House budget proposals and the initial Senate budget proposal, as offered by the Chair of the Senate Ways & Means committee. The final budget will not be released until the conference budget is finalized.

For additional information contact Rachelle Sharpe at rachelles@hecb.wa.gov (360-753-7872) or Julie Japhet at juliej@hecb.wa.gov (360-753-7840).